

INTERNAL SERVICE FUND

Internal Service Funds account for the financing of goods or services provided by one department to other departments of the governmental unit or to other governmental units, on a cost reimbursement basis.

Self-Insurance Fund - To account for premium payments received by participating municipalities and County departments for payment of claims under the Worker's Compensation, General Liability and Property Damage Insurance Plan administered by the County. The Self Insurance Fund also accounts for medical, life and disability insurance for County employees and their families. The cost of employees' group insurance is jointly paid by employees and the County.

MIAMI-DADE COUNTY, FLORIDA

INTERNAL SERVICE FUND
SUPPLEMENTAL BALANCE SHEET

SEPTEMBER 30, 1998

(in thousands)

	Total	
	September 30,	
	1998	1997
Assets:		
Cash and cash equivalents	\$ 15,885	\$ 20,498
Investments	80,721	80,512
Accounts receivable, net	4,170	5,102
Due from other funds	14,719	12,926
Due from other governments	200	207
Other current assets	3,788	4,557
Total assets	\$ 119,483	\$ 123,802
Liabilities and Fund Deficit:		
Liabilities:		
Accounts payable and accrued expenses	\$ 2,181	\$ 2,216
Deferred revenues	3,788	4,556
Assets held in trust	1,522	1,560
Estimated claims payable	37,919	45,323
Total liabilities	45,410	53,655
Long-term Liabilities:		
Estimated claims payable	87,130	73,005
Loans payable	41,200	41,200
Total long-term liabilities	128,330	114,205
Fund Deficit:		
Unreserved retained deficit	(54,257)	(44,058)
Total fund deficit	(54,257)	(44,058)
Total liabilities and fund deficit	\$ 119,483	\$ 123,802

MIAMI-DADE COUNTY, FLORIDA

**INTERNAL SERVICE FUND
SUPPLEMENTAL STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED DEFICIT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1998**
(in thousands)

	Total	
	September 30,	
	1998	1997
Operating revenues:		
Charges for services	\$ 228,044	\$ 229,176
Operating expenses:		
Claim and policy payments	174,514	168,671
Other	5,503	4,158
Total operating expenses	<u>180,017</u>	<u>172,829</u>
Operating income	<u>48,027</u>	<u>56,347</u>
Non-operating revenues (expenses)		
Investment income	4,793	5,714
Interest expense	(1,619)	(1,250)
Total non-operating revenues (expenses)	<u>3,174</u>	<u>4,464</u>
Income before operating transfers	51,201	60,811
Operating transfers out	<u>(61,400)</u>	<u>(74,330)</u>
Net income (loss)	(10,199)	(13,519)
Retained deficit at beginning of year	(44,058)	(30,539)
Retained deficit at end of year	<u>\$ (54,257)</u>	<u>\$ (44,058)</u>

MIAMI-DADE COUNTY, FLORIDA

**INTERNAL SERVICE FUND
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1998**
(in thousands)

	Total	
	September 30,	
	1998	1997
Cash flows from operating activities:		
Cash received for premiums	\$ 226,033	\$ 221,614
Cash paid for claims	(98,458)	(96,575)
Cash paid for policies	(74,006)	(75,306)
Other cash received	297	940
Net cash provided by operating activities	<u>53,866</u>	<u>50,673</u>
Cash flows from non-capital financing activities:		
Operating transfers out to other funds	(61,400)	(74,330)
Net cash used for non-capital financing activities	<u>(61,400)</u>	<u>(74,330)</u>
Cash flows from capital and related financing activities:		
Interest paid	(2,652)	(1,250)
Net cash used for capital and related financing activities	<u>(2,652)</u>	<u>(1,250)</u>
Cash flows from investing activities:		
Purchase of investment securities	(58,268)	(40,430)
Proceeds from sale and maturities of investment securities	58,048	53,149
Interest on investments	5,793	5,616
Net cash provided (used) by investing activities	<u>5,573</u>	<u>18,335</u>
Net decrease in cash and cash equivalents	<u>(4,613)</u>	<u>(6,572)</u>
Cash and cash equivalents at beginning of year	20,498	27,070
Cash and cash equivalents at end of year	<u>\$ 15,885</u>	<u>\$ 20,498</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 48,027	\$ 56,347
(Increase) decrease in assets:		
Accounts receivable, net	933	(2,021)
Other current assets	769	822
Due from other funds	(1,792)	1,808
Due from other governments	7	67
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	(35)	396
Due to other funds		(5,866)
Deferred revenue and other current liabilities	(769)	(880)
Increase in estimated liability	6,726	
Net cash provided by operating activities	<u>\$ 53,866</u>	<u>\$ 50,673</u>